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Creating One African Market

**Statement by Ambassador Albert M. Muchanga,
African Union Commissioner for Trade and Industry
Delivered at the High Level Policy and Private Sector
Trade and Investment Facilitation Partnership Forum
on “Facilitating Trade and Investment for
Development”, organized by the Federal Government
of Nigeria and the ECOWAS Commission
Congress Hall, Transcorp Hilton Hotel**

Abuja, 2-3 November

Your Excellency, Professor Yemi Osibanjo, Vice President of the Federal Republic of Nigeria and Chairman of the Nigerian Economic Management Team;

Your Excellency, Dr. Okechukwu Enelamah, Minister of Industry, Trade and Investment of the Federal Republic of Nigeria;

Your Excellences Ministers;

Your Excellency, Mr. Marcel Alain de Souza, President of the Commission of the Economic Community of West African States;

Your Excellency, Dr. Mukhisa Kituyi, Secretary-General of the United Nations Conference on Trade and Development;

Your Excellency Ambassador. Roberto Azevêdo, Director-General of the World Trade Organization;

Your Excellency, Ms. Arancha González, Executive Director of the International Trade Centre;

Your Excellency Ambassador Chiedu Osakwe, Nigerian Chief Trade Negotiator;

Your Excellences, Ambassadors and Heads of Mission;

Distinguished Invited Guests;

Distinguished Participants in this High Level Forum;

Ladies and Gentlemen:

I will be brief. Do not be intimidated by my long salutation.

I begin by registering pleasure to be back in this lovely city, Abuja, the capital of the Federal Republic of Nigeria.

I thank the Nigerian Government for the invitation and the warm welcome as well as the gracious hospitality accorded to me since arriving in this beautiful city.

I am greatly honoured to participate in the opening ceremony of this High Level Forum on Facilitating Trade and Investment for Development.

Clearly, a lot of work went into the organizing the event. The documentation and logistics are of high quality. It is therefore appropriate that I congratulate the organizers; especially the ECOWAS Commission and the office of the Chief Trade Negotiator for Nigeria. You have done a superb job, we thank you.

I also congratulate the Nigerian Government, and specifically, the Presidential Council on Ease of Doing Business for the visibly working and highly acclaimed reforms. These are lowering the cost of doing business in this great country. This has been evidenced by the greatly improved ranking of Nigeria on the World Bank's Ease of Doing Business that was announced a few days ago. This is good for attracting both domestic and foreign investment which are critical to job creation, economic growth, sustainable development and improved livelihoods for the ordinary people.

Your Excellences;

Distinguished Participants:

Trade and investment facilitation are critical to Africa's economic transformation.

Africa needs sustained annual investment rates of 25% of her GDP and above to achieve an average 7% annual economic growth rate, which is critical to meeting the targets of the 2030 United Nations Sustainable Development Goals.

The average investment rate over the past two decades has been about 18%, of GDP, registering a seven percent shortfall.

It is against this background that the continent is currently handicapped by insufficient levels of investments in both infrastructure and productive capacities.

These, among other bottlenecks, physically isolate African economies from each other as well as limit Africa's capacity to diversify her economies and make them more competitive.

The results are continued dependency on commodity production and export, low levels of trade among African countries, as well as equally low level of Africa's share in world trade.

Your Excellences;

Distinguished Participants:

African Heads of State and Government acknowledge the challenges highlighted above. In this respect, they have come up with a number of flagship projects under the African Union Agenda 2063.

One of them is the African Mining Vision which aims to promote value addition in our mineral processing activities. To this end, we have, working with the mining private sector, set up the Association of African Chambers of Mining and other Mining Associations as well as developed a private sector compact and governance framework for the implementation of the African Mining Vision by the private sector.

The second example is the negotiation of a draft Agreement Establishing the Continental Free Trade Area (CFTA). We plan to conclude the negotiations before the end of next month.

Our technical partners, the United Nations Economic Commission for Africa and United Nations Conference on Trade and Development have greatly contributed to the process of establishing the CFTA. We greatly value their technical contributions.

The CFTA aims at facilitating intra- African trade by progressively eliminating tariff and non-tariff barriers. The draft Agreement to be concluded next month will have annexes on trade in goods and services.

With the CFTA working, Africa is also projected to increase her share of world trade from the current level of 3% to 6% within a decade.

However, this has not been a journey without critics.

We have some people who attempt to be assassins of our progress to establish the Continental Free Trade Area.

Let me be clear; none of those people are in this room.

We are all here as friends of Africa and Nigeria. Nigeria is not just hosting this High-Level Forum, but also leads the negotiations for the CFTA Agreement and annexes, all the way up to the Ministerial level.

Our CFTA critics are from within and outside Africa, but let me stress, they are not in this room.

They see everything that is either wrong or futile about our efforts.

However, what they fail to do is give us an alternative roadmap towards the Continental Free Trade Area.

With this failure on their part, their bullets are totally ineffectual.

They have neither wounded nor distracted us.

We are instead, continuing with zeal and unity of purpose to create a Continental Free Trade Area of about 1.2 billion people supported by an aggregate economy of about US\$3.4 trillion within the stipulated deadline of 31st December, 2017.

The African Union Ministers of Trade will be meeting in Niamey, Niger on the 2nd of next month to adopt the draft CFTA Agreement and recommend it for endorsement and formal adoption by the January 2018 Assembly of African Union Heads of State and Government.

The African Union Ministers of Trade will also use the Niger meeting to adopt the Common African Position on the items on the agenda of the 11th Ministerial Council of the World Trade Organization that will be held in Buenos Aires, Argentina within the same month of December, 2017.

Your Excellences;

Distinguished Participants:

As part of the CFTA process, we are in the final stages of formulating a Pan-African Trade Facilitation Strategy.

The Directors-General of African Customs Administrations will consider the draft in the middle of this month when they meet in Cameroon. I will be attending that meeting because it is a key component of the trade and industry agenda of the African Union.

The Pan-African Trade Facilitation Strategy will be fully aligned with the WTO Trade Facilitation Agreement which Nigeria is among the African countries that have ratified it.

With trade facilitation in place, the ease of doing business across the continent will improve further, and with it, investment and trade flows.

We are also in the final stages of facilitating free movement of people across Africa. The enabling Protocol will be among the documents planned to be placed before the January, 2018 African Union Summit.

At this stage, I would like to commend African countries, including Nigeria, which have started issuing visas on arrival for African travelers from fellow African countries.

This is taking us in the right direction in promoting rapid growth of trade, investment and oneness across Africa.

Also to be placed on the agenda of the January, 2018 African Union Summit will be the Pan-African Draft Small and Medium Enterprises (SME) Strategy, which, if adopted will

enable us implement policies and programmes on start-ups, business incubation, innovation and labour- intensive industrialization.

Beginning next year, we will be working on additional annexes to the CFTA Agreement. The annexes will enhance the growth of trade and investment across Africa. These will be protocols on competition, investment and protection of intellectual property rights.

Let me underline that all these measures will make the African continent an attractive destination for investments and position us to meet the targets of the 2030 United Nations Sustainable Development Goals and the African Union Agenda 2063.

However, the real work begins next year and subsequent years as we implement the CFTA Agreement. In this connection, we will require enhanced support from our cooperating partners.

Your Excellences;

Ladies and Gentlemen:

I promised to be brief. I hope I have been.

I will end here and thank you most sincerely for your kind attention.

I wish success in the deliberations that will follow.